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## **HB 5449, AN ACT CONCERNING LIABILITY FOR UNFAIR INSURANCE PRACTICES IN WORKERS' COMPENSATION CLAIMS**

### **Statement of the American Insurance Association**

**March 3, 2016**

The American Insurance Association is a leading national trade association representing approximately 325 major property and casualty insurance companies that collectively underwrite more than \$100 billion in direct property and casualty premiums nationwide. AIA member companies write more than fifty percent of the workers' compensation market in Connecticut. AIA must respectfully oppose House Bill 5449, which would essentially permit double recovery by giving claimants an additional cause of action, allowing for the recovery of attorneys' fees, economic and noneconomic damages.

Current Connecticut statutes provide that the benefits provided under workers' compensation shall be the exclusive remedy for injured workers. In other words, employees injured on the job are not permitted to make a tort liability claim against their employers. HB 5449 would upend the exclusive remedy doctrine entirely and grant claimants another cause of action. This would open the floodgates for increased litigation, bogging down the courts and, ultimately, would drive up the cost of doing business in Connecticut.

Further, it is important to note that Connecticut already enjoys an extremely generous and robust workers' compensation system. HB 5449 is unnecessary because current statute presently provides for a very generous benefit to workers' compensation claimants. In fact, under current statute, a claimant is eligible to receive attorneys' fees as well as twelve percent interest on compensation that is improperly withheld. There are also ample remedies available under current law in the event that a claimant has been subject to instances of unreasonable delay (see sections 31-284c and 31-288).

Enacting such legislation would be unprecedented across the country and would do serious harm to the current economic climate. Thank you for the opportunity to provide comments and share our concerns on this issue. For the foregoing reasons, AIA urges the Committee to reject House Bill 5449.

Alison Cooper  
Regional Vice President, Northeast Region